



Digital Agency RFP Brief: Bike Spring Campaign 2019

Background

In 2012, John Foley founded Peloton with the hope of taking the best of boutique studio cycling without the inconvenience, by bringing it into the home. Fast forward and Peloton has gone from a hopeful Kickstarter campaign to a billion dollar company disrupting the fitness industry with close to 1,000,000 US Members. With a burning desire to innovate like hell, Peloton is aggressively pursuing growth opportunities in new markets (UK & Canada) and new products (Tread & Digital).

Over the past 24 months, the Peloton Bike business has exploded and with aggressive sales goals to close out FYE 2019, the upward trajectory continues. But this is just the beginning. As the domestic bike business begins to mature and evolve, it's critical we unlock the power of the bike to those who don't already understand the magic of a live studio cycling class. As we continue to shift the appeal of our product to a broader SAF audience, it's imperative we declare our category-of-one positioning to the masses. Given the baggage associated with indoor cycling and spin bikes in general, the goal of this brief is to re-articulate our core value prop to show Peloton in a whole new light.

Marketing Objective

Extend and build upon the core campaign idea "The best cardio machine on the planet" to grow our customer base through digital and social executions that will help deliver our objective to re-position Peloton bike as the immersive cardio experience you never knew you needed. Specifically for digital this should drive the full funnel / consumer journey through from consideration to conversion and purchase intent.

See [spring campaign overview deck](#) for overview.

KPIs:

Campaign KPI: Bike sales

TVC KPI: Response Rates. Drives to onepeloton.com/Bike (expected 80% reach among the target)

Digital Campaign Objectives:

- Drive consumers through full-funnel / Journey / 'path to purchase'. From consideration through to conversion and purchase intent. Ultimately helping to drive incremental bike sales.

Digital KPIs:

- CTR
- 'Quality' traffic /visits to web pages (onepeloton.com/bike / custom landing experience if relevant)
 - Indicator of customer interest and ability to build retargeting pool.
 - *'Quality' defined as site dwell time / repeat visits / add to cart / purchase.
- Repeat visits to site / lower funnel pages (('Shop' / [Financing](#))
- Purchase Intent: ('Add to cart')



Our Challenge

Peloton has been wildly successful, but for the past 5 years, we've been picking off the low hanging fruit: consumers who already understand the magic of a live studio cycling class. With hundreds of thousands of those consumers already a part of our community, and millions deep in the funnel, the rest of our SAF consumer base is rejecting us because of a pre-existing bias. As such, we need to reframe how they see our product.

Campaign Comms Task

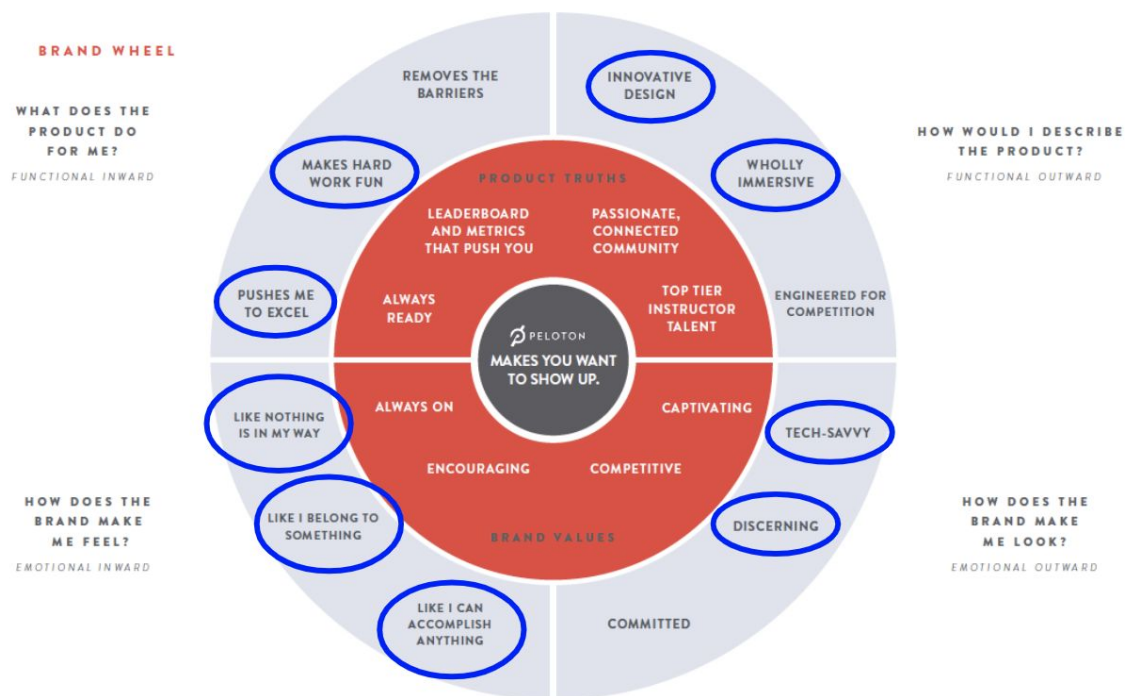
- GET: our core *Serious About Fitness* consumer
- WHO: is aware but not planning to buy because of the baggage that comes with indoor cycling and spin bikes
- TO: see Peloton is a whole new category
- BY: highlighting that the Peloton experience isn't just another way to get a cycling workout, but to show it's a immersive, engaging game-changing cardio workout the whole family will love.

Key Insights:

- The Serious About Fitness consumer who rejects Peloton, loves the energy, motivation and accountability a group class provides, but only 6% are engaging boutique spinning
 - Access to bad and inconvenient gym classes, dated perceptions of spin or see a spin bike as a warm up machine are all driving factors.
- Given 87% of consumers have a neutral or positive outlook towards Peloton, they're not rejecting the brand, but rather rejecting the product because they don't understand what it can do for them
- This consumers needs are simple: they want a great cardio workout that keeps them engaged/motivated that's good worth the money. However, while Peloton can deliver on all these, consumers who don't spin are not connecting those dots.
- While many consumers are falling out of the funnel, those who do move through the funnel believe these core statements:
 - It's more convenient to workout at home (69%)
 - I think Peloton is a great cardio workout (64%)
 - Peloton would be an addition to my current routine (75%)
 - Engage in spin (65%)
 - While those who are falling out of the funnel:
 - It's not worth the cost (85%)
 - I'm not convinced I'll stick with it (57%)
 - I don't want indoor cycling to be my primary form of workout (55%)
 - Don't engage with spin (64%)

Reasons to believe

- The experience (primary)
 - Dubbed "The best cardio machine on the planet" by Men's Health, the Peloton bike offers a heart-pumping sweat inducing cardio workout like no other.
 - With engaging metrics and the best instructors who make hard work fun, the Peloton experience is one that keeps you showing up and wanting more
- Value (secondary)
 - With 1.7 profiles on every Peloton bike, it's something that scales across the whole family
 - For \$97/mo it's cheaper the the whole family's gym memberships



○ Most common marketing / communication entry points

See [Peloton Brand Positioning \(May 2018\)](#) for more information

- **Who are we talking to?** Core target: “Serious About Fitness”
- **Key Attributes**
 - Serious About Fitness (SAF) consumers demonstrate distinct mindsets and behaviors
 - Mindsets
 - Prioritize fitness
 - Enjoy the energy from workout classes
 - Look forward to working out
 - Behaviors
 - Follow regular exercise routine
 - Spend more than \$150 a month on fitness
 - Work out 4x or more a week
 - Share many top exercises preferences: Walking for exercise, weight lifting, and jogging/running
- **Demographics:** 25-64, mostly married - HHI \$100K+ - Equal male/female - Employed full time - Highly educated.



The Ask:

Peloton is looking to build an extension to the core campaign idea of "Best Cardio Machine on the Planet," rooted in a TV ad, through a digital campaign that is engaging and breakthrough for the brand. As part of the RFP pitchback, we ask that you:

1. PRESENT YOUR STRATEGIC APPROACH TO EXTENDING THE CORE CAMPAIGN IDEA

- How do you approach (steps you take for) extending the campaign idea through digital?
- What elements do you feel are required in our core campaign to feel authentic to the platforms / digital?
- How will you measure success?
- What (if any) insights / research would you carry out?
- Consider the full consumer journey: how would the campaign navigates consumers from awareness / consideration through Peloton's path to purchase.

2. PRESENT 2-3 DIGITAL IDEAS THAT DELIVER AGAINST THE CAMPAIGN THAT PELOTON IS THE "BEST CARDIO MACHINE ON THE PLANET."

- a. Demonstrate how you would transcreate the TV concept for digital channels and audience.
 - b. Expand the core campaign idea for a digital audience / channels.
 - c. **Optional:** Come up with a blue-sky digitally driven campaign that addresses the challenge of broadening the appeal of the Peloton Bike, among our core SAF consumer, to go beyond "live studio cycling at home" to an incredible cardio experience (does not have to ladder up to the existing campaign platform).
- NB.Platforms should include but not be limited to, Facebook, Instagram & YouTube
 - Express the activation ideas above through the most relevant and effective content formats and channels based on the idea - video, gif, images, etc. and rationale for each demonstrating your ability to create / optimize for the platform.

3. SHARE YOUR PROCESS AND WAYS OF WORKING THROUGH PRODUCTION AND DELIVERY

- a. Production: What are the steps you take to produce the above campaign content for digital? Considering the differing approach for 'transcreating' existing shoot assets, potentially building on an existing TV shoot and a stand-alone shoot / content capture.
- b. Cost structure: consider delivery of these concepts within a production cost structure of (1) \$100k or (2) \$300k production cost and show scale of executions / production accordingly
- c. Process: How do you approach working with the internal creative teams / Media partners and the Creative agency inc. reviews / share-outs / adaptations
- d. **If** relevant to your campaign ideas, share your approach to 'dynamic creative' and efficient 'personalization' (including video formats, across channels including social platforms).

4. PROVIDE A TOP-LINE OVERVIEW OF HOW YOU WOULD APPROACH BUILDING DIGITAL CAMPAIGNS ACROSS THE PELOTON PORTFOLIO:

- a. How would it differ between Bike / Tread / Digital while living cohesively under the Peloton Brand.



Mandatories/Considerations:

- The brand should feel familiar across all touchpoints - regardless of how the campaign comes to life digitally, it needs to hang together under the Peloton brand.
- While the digital execution does not necessarily have to be 'matching luggage' it should feel like one cohesive campaign.
- Given the narrow timing for this campaign, consider to what extent seasonal relevance plays a role.
- While we use the word bike freely, the "the Peloton Bike" is actually defined by the integrated experience of hardware software and content. Need to ensure we don't draw focus to the hardware only.
- Keep in mind the importance of our category of one positioning, the goal is to sell consumers on Peloton, not grow interest in spinning as an activity.
- [Test ride booking](#) and foot traffic to show rooms are key 'landing' environments but not a focus for this brief.
- While it is not a key KPI for digital creative directly, Customer acquisition cost is a key metric all campaigns are measured against.

References:

- [Brand DNA](#)
- [Brand Voice](#) (July 2018)
- [Brand Guidelines](#) (August 2018)
- [Bike path to purchase snapshot](#) (2016)
- [SAF Segmentation](#) (May 2018)
- [Peloton Bike positioning](#) (May 2018)
- [Spring campaign overview deck](#).
- [Examples of previous digital ads for Bike](#)

Timing:

Milestone 1: Email RFP questions by (1/15)

- Share questions via email based on RFP, consumer insights, and campaign brief. Responses will come from Peloton via email.

Milestone 2: 1.5 hour call (1/28 or 1/29)

- Come prepared to spend 30 minutes reviewing capabilities/background (we want to get to know you);
- 30 minutes discussing how you'd work with Peloton's internal team and be prepared to discuss the overall objectives/thought starters laid out above.
- 30 minutes to share case studies and discuss in detail your process / approach to 'dynamic creative' and efficient 'personalization' at scale (including tools / platforms you might use / inc. dynamic video formats, within different channels and social platforms).

Milestone 3: Email submission (1 week prior to in-person pitchback)

- General Portfolio & Capabilities (per roles and responsibilities section)
- Bios of the core team (per roles and responsibilities section)
- Overview of agile, efficient, budget-appropriate production process fitting to digital production requirements.

Milestone 4: In person presentation (w/o 2/11)

- Present agency pitch-back in a formal presentation to Peloton cross-functional leadership teams.